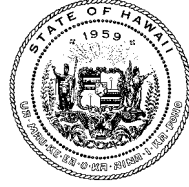


JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

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March 6, 2024

GARY S. SUGANUMA
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KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2024-02

RE: Suspension of General Excise Tax for Department of Hawaiian Home Lands Projects

On February 20, 2024, Governor Josh Green, M.D. signed the Fifth Proclamation Relating To Affordable Housing (the "Fifth Proclamation"), which suspended general excise tax (GET) on Department of Hawaiian Home Lands (DHHL) projects for newly constructed, or moderately or substantially rehabilitated, housing for beneficiaries.

This Tax Announcement details the suspension of GET for DHHL housing projects under the Fifth Proclamation.

Suspension of GET for DHHL Projects

In accordance with the foregoing, effective February 20, 2024, GET will be suspended on gross income received by a qualified taxpayer for a newly constructed, or a moderately or substantially rehabilitated, DHHL housing project for beneficiaries.

Certification Process for GET Suspension

The taxpayer must complete Form G-37, General Excise/Use Tax Exemption for Certified or Approved Housing Projects. Taxpayers must check the box on Form G-37, indicating that a project is being developed pursuant to an Emergency Proclamation.

The completed Form G-37 must then be filed with DHHL. Upon certification, DHHL will provide a copy of the certified Form G-37 to the taxpayer and transmit the original directly to the Department of Taxation.

GET Filing Requirements

Taxpayers must report all gross income received from a DHHL housing project on Form G-45 (Rev. 2023), Periodic General Excise/Use Tax Return, and Form G-49 (Rev. 2023), Annual Return and Reconciliation of General Excise/Use Tax Return. Taxpayers must also file Schedule GE, General Excise/Use Tax Schedule of Exemptions and Deductions, and use the Exemption/Deduction Code "100."

If you have questions about the certification process for a GET suspension under the Fifth Proclamation, please contact DHHL at 808-620-9500. If you have any questions about this Tax Announcement or the Department of Taxation's implementation of the GET suspension under

Department of Taxation Announcement No. 2024-01
March 6, 2024
Page 2 of 2

the Fifth Proclamation, please contact the Rules Office at 808-587-1530, or via email at Tax.Rules.Office@hawaii.gov.

GARY S. SUGANUMA
Director of Taxation